
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 7.06.2009

Wall Street Journal: "Calls Grow To Increase Stimulus Spending...Vice President Joe Biden said the Obama administration "misread how bad the economy was" and didn't foresee unemployment levels nearing double digits, in comments likely to intensify calls for the administration to do more to counter job losses."

Wall Street Journal: "Congress Shifts Into High Gear to Tackle Full Agenda...Lawmakers return to the Capitol on Monday for a five-week blitz that will help determine the fate of President Barack Obama's agenda."

Wall Street Journal: "Dollar Strengthens on Risk Aversion...The dollar is higher against most widely traded currencies save for the yen early Monday, benefiting from its safe-haven status with risk aversion remaining elevated and equity and commodity prices for the most part considerably lower."

Wall Street Journal, Opinion: "Public Pensions Cook the Books...Some plans want to hide the truth from taxpayers. Here's a dilemma: You manage a public employee pension plan and your actuary tells you it is significantly underfunded. You don't want to raise contributions. Cutting benefits is out of the question. To be honest, you'd really rather not even admit there's a problem, lest taxpayers get upset."

Wall Street Journal: "GM Asset Sale Gets Judge's Nod...A federal judge approved the sale of General Motors Corp.'s assets to a new government-run company, removing a key hurdle to the auto maker's plan to exit bankruptcy."

New York Times, "Naming 5 New Members, Reborn Chrysler Fills Board...The Chrysler Group named the five remaining members of its new board on Sunday, a group that includes a former chief executive of Northwest Airlines, investment bankers and top officials of the Italian automaker Fiat Group."

Washington Post: Editorial, "Economists Out to Lunch...Niall Ferguson is one of those rare characters: a respected scholar who's also a successful popularizer. Ferguson, a Brit, has taught at Oxford and New York University and is now at Harvard. He has written about World War I, the British Empire and the Rothschilds (Europe's most powerful banking family). He has turned four of his projects into TV documentaries, the latest of which -- "The Ascent of Money," also a book -- begins airing on PBS on Wednesday. It is a program that could be usefully viewed by most of America's roughly 13,000 economists."

American Banker: "FDIC Failed-Bank Bid Plan Blasted by OCC, Investors...A Federal Deposit Insurance Corp. plan to place new restrictions on private-equity firms seeking to buy failed banks is facing strong opposition from fellow bank regulators and could temporarily freeze all private-equity activity in bank acquisitions."

American Banker: "Experts Prescribe Tough Love for Ailing Bank...Put together a hedge fund manager, a Nobel Prize-winning economist, a Federal Reserve Bank president, a Federal Deposit Insurance Corp. official and a group of top finance professors, and the odds are poor that they will agree on anything."

Wall Street Journal: "FDIC Can Bank on Opposition...Proposal to Toughen Ownership Rules Draws Fire; 'Harsh and Discretionary'...The Federal Deposit Insurance Corp. proposed new rules that would place restrictions on private-equity investors wanting to buy failed banks, sparking concern from other regulators that the policies could scare away potential investors."

Financial Times: "Opportunistic Wall Street gears up to trade in California IOUs...Amid the vacation rentals and used cars for sale, browsers of the website Craigslist will now find a unique offer: for California IOUs. "If you are receiving a California IOU and you need cash immediately, please contact me. I may be of assistance," reads one posting."

Financial Times: "Securitisation reinvented to cut costs...Investment banks, including Goldman Sachs and Barclays Capital, are inventing schemes to reduce the capital cost of risky assets on banks' balance sheets, in the latest sign that financial market innovation is far from dead."